Previous references.

1910.-11
(Gen. Rn)

File No. 445-10

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Later references.

G.7 186-11 881-2-B. Feb 1912

P. 2

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1-2

Part B. for May 1911

SUBJECT.

Depositing for Safe custody in the Madras Bank, Madras, Govt of India Pro: Notes, held in the name of the Dewan of Mysore.

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1. From the Comptroller No 5786/B.R 1000 d. 25/28. 3.11

Represents the inconvenience experienced by the Madras Bank & his office in maintaining separate accounts for depositing for Safe custody in the Bank the Govt of India Pro Notes held in the name of Dewan and proposes to maintain only one account and have one consolidated custody receipt for all the pro-notes deposited therein.

G. R. S. 58

2. To the Comptroller; agent Madras Bank, Madras

No. 2. 5787 d. 23.5.11

Sanctions the Comptroller's proposals

G.R.S. 11] 1910-11

GENERAL AND REVENUE SECRETARIAT.

(Gen Finance

NOTES.

File No. 445/10

FILE HEADING.

Depositing for Safe Custody in the Madras Bank Madras, Govt of India Pro: notes held in the name of the Dewan of Mysore

From The Comptroller

No. 5786 / GAR 1000 Dated 25/28/3/1911 Received 30/3/11

Diary No. 3932	Enclos.	Spare Copies .	Serial No. /

BRIEF ABSTRACT OF LETTER.

Represents the inconvenience experienced by the Madras Bank & his office in maintaining separate accounts for depositing for Safe Custody in the Bank the G. of India Pro: notes held in the name of the Dewan & proposes to maintain only one account & have one Consolidated Custody receipt for all the pro notes deposited in the Bank

NOTES AND ORDERS.

1 The Comptroller points out that the Arrangement is Calculated to result in some Savings in the Commission paid to the Bank & Solicits formal orders for the arrangement proposed. Subd for orders.

Notes—First sheet 4000(86)

3-4-1911

3/4/11

GFB—15,000—24-4-09.

Serial No.

2 The arrangement no doubt takes away much of work in the Bank. May be asked ask how much less of the savings will be. Again the Bank charges some commission for withdrawal from safe custody. But as this is meant to check more for account keeping if the bank once the rate of commission for withdrawal there will then be real saving as the commission is calculated on the nominal value of the Bonds, then the Conversion may be agreed to. As regards objection the proposal is however subd. else Cy

3.4.11

Please put up draft
3/4/11
Draft Subd
H.O.D. (66)
5/4/11

Bpr.
5.4.11.

3 There will be no withdrawal but only consolidation. The above note is not very clear to me. M
5/4

4 The points requiring elucidation are:-
(1) Whether the Bank will charge any Commission for transferring one head to another (which will be necessary when Conversion taking the Bonds). When there is a withdrawal from Safe Custody though it is simultaneously deposited again and the Bank may well charge Commission on the face value of the Bonds to be actually withdrawn.

NOTE—Contn. sheet.

GPB—55,000—27.4.09

Serial No.

(2) Whether after Consolidation of some Notes have Mr Sold the Bank honed heal the Whole Consolidated amount as withdrawn from safe Custody & Share their usual Commission.

5 If in either of these Cases the Bank will not charge Commission except on the amount actually withdrawn then honed be no objection whatsoever as the work of the Bank is reduced Considerably and as our Reserve balances are lodged in the Bank we may ask for better terms & the rate of Commission may be lowered

6 Perhaps the Comptroller's Office will be in a position to answer the 2 queries

Please)

L-6-11

Mr Bell

12/4

7 The request of this office is, as may be seen from the paper under disposal, not for the Consolidation of the Pro-notes as the Assistant Secretary has noted, but for the Consolidation of the accounts of the Pro-notes held by the Bank in connection with the General Funds - Hence the points queried by the Asst Secy do not arise in connection with it.

15/4.

PJO

GPB—55,000—27.4.09

G. R. S. 12]
General and Revenue Secretariat.

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& The Bank does not charge us anything for Consolidating the accts, nor does it charge us for making the necessary Corrections in the Custody receipts given by it whenever we ask the Bank either to sell Compro. notes or to purchase others

MDJ 15/11

9 Attorney Fri

GR 15/11

19 When accounts are Consolidated the proceeds are technically also dispersed & Consolidated in the sense that they are covered by one safe Custody receipt & not under one Kound. Hence the query raised. Since it is not seen that no claims for Commission will arise for Consolidation & Commission only on the accts withdrawn will be charged there is no objection to the Course proposed. It however submitted that if this means we will have saved the Bank a lot of work but there is no quid pro quo for it, as credit was with the intention it was supposed for Consideration Whether the Bank may not be asked to reduce its rate of Commission in View Case specially

Perhaps we may though it is doubtful if the Bank will agree. Suggest to Comptr.

GR 19/4

(Reserved)

Draft submitted for orders

(Dewan)

11

Note—Contn. sheet.

GPB—55,000—27.4.09

1117 / 20.4.11

Draft approved by Dewan

12.5.11

G. R. S. 12]
General and Revenue Secretariat.

97 File No. 445 of 1910-11

Serial No.	
	Issue Y.P.A.
2	To the Comptroller " " agent. Bank of Madras. Madras No. H. 5787 dt. 23.5.11 Sanctions the Comptroller's proposal & states that it is to take effect from 1-7-11.

GPB—55,000—27-4-09

T/ 393 88.
Secret

It is requested that in future communications on the subject, the No. and date of this letter, and the distinguishing letters below the number as given opposite, may be quoted and addressed to the Comptroller, Mysore Government.

No. 5786
B+R 1000.

OFFICE OF THE COMPTROLLER, MYSORE GOVERNMENT,

Dated Bangalore, the 25th March 19 11.
28

FROM

J. S. CHAKRAVARTI, ESQ., M.A.,
F.R.A.S., etc.,
Comptroller to the Government of
His Highness the Maharaja of Mysore.

To

.....Esq.,

The *Secretary to the Government of Mysore,*

F..i..n..a..n..c..i..a..l.....*Department.*

SIR,

I have the honor to report that under the existing arrangements with the Bank of Madras, Madras, for depositing for safe custody in the Bank the Government of India Promissory Notes held in the name of the Dewan of Mysore separate accounts are maintained by the Bank as well as in this office in the name of each institution or fund to which the promissory notes belong. Under this arrangement every transfer of promissory notes that is effected in order to adjust debits or credits balances in the various accounts on behalf of which these promissory notes are held, has to be noted in the registers of this office and intimated to the Bank in order that it may also note them in its registers and the custody receipt given by the Bank for each account has also to be returned to the Bank for correction.

2. As this is found to be inconvenient it is proposed to close all the separate accounts in the Bank and maintain only one account for these promissory notes, viz., in the name of the Dewan of Mysore and have one consolidated custody receipt for all the promissory notes deposited in the Bank. This office will of course

Rec.—Gl. 18]

.....Department.

19[illegible]

From

J. S. CHAKRAVARTI, Esq., M.A.,
F.R.A.S., etc.,
Comptroller to the Govt. of
H. H. the Maharaja of Mysore.

To

.....Esq.,

Secretary to the Govt. of Mysore,

.....Genl. & Rev.....Dept.

Dated

Despatched 28-3-11

Received

No. 5786
NR 1000

Subject-matter.

Soliciting formal orders
of Govt. re. the arrangements
with the Bank of Madras handling
for depositing Govt. Provident
&c.

GPB—1,000—28-6-09

course continue to maintain the individual accounts showing the balance in favour of each fund or account.

3. This arrangement is calculated to result in some savings in the Commission paid to the Bank for realising interest. The Bank usually charges a Commission of ¼ per cent on the interest realised on each separate account. If the amount of such interest is below Rs.100/- a Commission of 4 annas is nevertheless charged. There are many accounts the interest realised on account of which is very much below Rs.100/- and if a number of such cases is taken into account, it will be seen the account concerned will be paying to the Bank as many 4 annas as there are accounts even when the aggregate amount of such interest is only within Rs.100/- and only 4 annas is strictly payable if all the above promissory notes belonged to only one account. In this way there will be a difference between the Commission charged on the aggregate amount of interest realised on all the promissory notes in the custody of the Bank, and on the separate amount of interest realised on each individual account.

4. Under Article 170 of the Civil Account Code, a Commission of one-quarter per cent is chargeable to the funds concerned by the the Government for drawing and remitting interest on Government promissory notes held in trust. As the Bank has been taking this Commission the Government has not been getting anything for the work done for the funds concerned by the Government Account Office in maintaining the account and drawing and remitting interest etc. If the arrangement proposed by me and accepted by the Bank is approved by Government the savings pointed out above in the Commission paid to the Bank will be credited to Government.

5. In these circumstances I solicit that formal orders of Government for the above arrangement, to which the Bank is expected to have no objection, may be communicated to me early so that it may be brought into ~~into~~ effect from 1st July 1911.

I have the honor to be,
Sir,
Your most obedient servant,

J S Chakravarti

Comptroller.

S.A.M.

KS

G.R.S. 28.]

File No. 445

Serial No.

9/5

Diary No. of letter replied to 3932

Proceedings of the Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE SECRETARIAT.

( )

, *the* 19

Date of issue 23 May 11

Signed by W L Nevs Secretary

READ—

Letter No: 5786-B&R-1000 dated the 25th March 1911 from the Comptr representing the inconvenienc experienced by the Bank of

~~ORDER THEREON.—NO.~~

Madras, Madras, and his office in maintaining Separa accounts for depositing for safe custody in the Bank the Govt of India Promissory

over

SUBJECT.

GPS—10,000—13-4-10

Notes held in the name of the Dewan of Mysore and proposing to maintain only one account and have one Consolidated custody receipt for all the pro notes deposited in the Bank.

~~To be~~

Order thereon: No. 5787-8 & 23 dtd May 1911

The proposal made by the Comptroller is sanctioned.

The new arrangement ~~should~~ be brought into effect from the 1st July 1911.

In view of the large receipts from the Branch and in consideration of ~~your~~ being large Customers of the Bank the Comptroller will be requested to address the Dewan Secy Treasurer as to the desirability of the Bank charging a reduced Commission on withdrawals from Safe Custody

Financial Secy to Govt.

To The Comptroller to Govt.

" Agent, Bank of Madras, Madras.

Hov (86)
5-4-11.

No. 5741/11

AV
22/5/11